

cc: C/OPS  
C/Admin

UNCLASSIFIED

STATE

ACTION: NONE INFO: NID/WE, ODPN-N, ODPS-S, OOE/EI/EI, OOE/FR,  
OOE/WE, DPCTR/SDD, RF, FILE, EUR/F-2, EUR/RR, C/IAD, CR/E, D/FBIS-2,  
IAD/PES, ICS/HC/EU, NID/PE, SAG/PPB-2, SAG/SEB-3, (16/W)  
CRE,

83 1610406 SUR

TOR: 071710Z JUL 83

NC 1610406

RR RUEAIIB  
ZNR UUUUU ZDC STATE ZZH  
STU4982  
RR RUEHC  
DE RUFHFR #5290 1871803  
ZNR UUUUU ZZH  
R 061803Z JUL 83  
FM AMEMBASSY PARIS  
TO RUFHWW/RAMC EUR COLLECTIVE  
RUFHXX/RAMC NEA COLLECTIVE  
^RUFHZZ/RAMC AF COLLECTIVE  
INFO RUEHTB/USOFFICE RAMC BANGKOK 2495  
RUEHMC/USOFFICE RAMC MEXICO 0197  
RUEHC/SECSTATE WASHDC 4330  
BT  
EZ1:

UNCLAS PARIS 25290

EZ2:  
FROM RAMC TEXT  
ALSO FOR VOA, USIS, FBIS, AID  
HALIFAX PLEASE PASS TO ST. JOHN'S  
TORONTO PLEASE PASS TO WINDSOR  
STATE FOR M/COMP/WFC  
E.O. 12356: N/A  
TAGS: AFIN

SUBJECT: ALLOTMENT OF PAY - FSN EMPLOYEES

REF: (A) 4 FAM 573, (B) STATE 064010/78 (NOTAL)

A REVIEW OF THE ALLOTMENTS OF PAY BY FSN EMPLOYEES  
REVEALS THAT A NUMBER OF THESE EMPLOYEES ARE RECEIVING  
THEIR SALARIES OR A PORTION OF THEIR SALARIES IN  
CURRENCIES OTHER THAN THE CURRENCY OF THE COUNTRY WHERE  
THEY ARE EMPLOYED, USUALLY BY AN ALLOTMENT OF PAY.

^TO INSURE POSTS COMPLY WITH CURRENT REGULATIONS,  
EXCERPTS FROM REF (B) ARE QUOTED FOR GUIDANCE:

QUOTE THE POLICY OF THE DEPARTMENT OF STATE IS TO PAY FSN  
EMPLOYEES IN THE CURRENCY OF THE COUNTRY WHERE EMPLOYED.  
SPECIFIC EXCEPTIONS TO THIS POLICY ARE STATED IN 4 FAM  
573 (A THRU D). THESE EXCEPTIONS ARE GRANTED FOR THE  
CONVENIENCE OF FSN EMPLOYEES IN SPECIFIC INSTANCES WHICH  
ARE TEMPORARY IN NATURE AND WHICH ARE RELATED TO  
EMPLOYMENT OF THESE INDIVIDUALS BY THE DEPARTMENT OF  
STATE. THE "OTHER EXCEPTIONS" (573.E) PROVIDE A MEANS  
FOR FSN EMPLOYEES TO ALLOT U.S. DOLLARS FOR SPECIFIC,  
SHORT-TERM PURPOSES WHERE IT IS DETERMINED BY THE  
PRINCIPAL OFFICER AFTER A REVIEW OF THE CIRCUMSTANCES  
THAT IT IS IN THE INTEREST OF THE U.S. GOVERNMENT AS A  
SERVICE TO THE EMPLOYEE TO ALLOW SUCH AN ALLOTMENT. THE  
ONLY SPECIFIC EXCEPTION WHICH ALLOWS FSN EMPLOYEES TO  
MAKE ALLOTMENTS TO COUNTRIES OTHER THAN THE U.S. IS IN  
THE CASE OF THIRD-COUNTRY NATIONALS WHO MAY REQUEST AN  
ALLOTMENT IN U.S. DOLLARS FOR CONVERSION AT DESTINATION  
AS PROVIDED FOR IN 4 FAM 556.4-4C.  
LONG TERM ALLOTMENTS OF PAY TO FINANCIAL INSTITUTIONS  
LOCATED IN A COUNTRY OTHER THAN THE COUNTRY WITHIN WHICH

see  
DIFB'S M  
POPA AL  
C/BTF

Manual: Any impact  
on us? see

) This has  
always  
been the  
case. M

EMPLOYED DO NOT MEET THE INTENT OF THE REGULATION GRANTING THE EXCEPTION. THE REGULATION WAS WRITTEN TO ASSIST FSN EMPLOYEES IN SPECIFIC AND EXCEPTIONAL INSTANCES AND WAS NOT INTENDED AS AN ALTERNATIVE TO THE GENERAL RULE THAT FSN EMPLOYEES ARE NOT TO BE PAID IN THE CURRENCY OF ANY COUNTRY OTHER THAN THAT IN WHICH EMPLOYED. IT WAS WRITTEN TO PROVIDE A PRIVILEGE NOT AS A GENERAL RIGHT OF FSN EMPLOYEES.

ALLOTMENTS OF FSN EMPLOYEES' SALARIES TO OTHER COUNTRIES MAY BE IN VIOLATION OF LOCAL CURRENCY LAWS OF THE COUNTRY WHERE EMPLOYED OR OF THE COUNTRY TO WHICH THE ALLOTMENT IS INTENDED. THIS POSSIBILITY REQUIRES THAT THIS PRIVILEGE BE GRANTED SPARINGLY AND ONLY WHERE VALID AND SPECIFIC PURPOSES FOR SUCH A PRIVILEGE EXIST AND THEN AN ONLY THEN AFTER THE LOCAL CURRENCY LAWS OF THE COUNTRIES INVOLVED HAVE BEEN INVESTIGATED. UNQUOTE  
RAMC'S POLICY IS TO PROCESS ALLOTMENTS OF PAY OF FSNS IN OTHER CURRENCIES, PROVIDING:

1) THE INCLUSIVE DATES OF PAY PERIODS THAT THE ALLOTMENT IS TO BE IN EFFECT ARE INDICATED ON FORM OF-212;  
2) THE REQUEST IS COUNTERSIGNED (ADMINISTRATIVELY APPROVED).

3) THE ALLOTMENT DOES NOT EXCEED 13 PAY PERIODS. IF IT DOES, POST IS CONTACTED TO CONFIRM ITS DURATION.  
RAMC IS FORWARDING A FSN SALARY/ALLOTMENT REPORT TO THOSE POSTS WHOSE FSN EMPLOYEES ARE BEING PAID IN CURRENCY OTHER THAN THAT OF THE COUNTRY WHERE EMPLOYED.  
POSTS ARE REQUESTED TO REVIEW THESE TYPES OF ALLOTMENTS OF PAY NOW IN EFFECT AND ADVISE WHETHER THEY ARE STILL VALID OR WHETHER THEY ARE TO BE DISCONTINUED.  
GALBRAITH

NNNN

NNDD